

**SENATE AMENDMENT 39,
TO SENATE AMENDMENT 1,
TO SENATE SUBSTITUTE AMENDMENT 1,
TO 1999 ASSEMBLY BILL 133**

June 30, 1999 – Offered by Senators LAZICH, WELCH and ELLIS.

1 At the locations indicated, amend the amendment as follows:

2 **1.** Page 56, line 8: delete lines 8 to 10.

3 **2.** Page 59, line 11: delete lines 11 to 13.

4 **3.** Page 67, line 18: delete the material beginning with that line and ending
5 with page 68, line 3.

6 **4.** Page 68, line 7: delete lines 7 to 10.

7 **5.** Page 96, line 5: delete lines 5 to 19.

8 **6.** Page 115, line 21: delete the material beginning with that line and ending
9 with page 116, line 11.

10 **7.** Page 142, line 19: delete lines 19 and 20.

1 **8.** Page 195, line 21: delete the material beginning with that line and ending
2 with page 196, line 9.

3 **9.** Page 198, line 19: delete the material beginning with that line and ending
4 with page 199, line 9, and substitute:

5 “**SECTION 1694.** 71.06 (1m) (intro.) of the statutes is amended to read:

6 **71.06 (1m)** FIDUCIARIES, SINGLE INDIVIDUALS AND HEADS OF HOUSEHOLDS; AFTER
7 1997 AND 1998. (intro.) The tax to be assessed, levied and collected upon the taxable
8 incomes of all fiduciaries, except fiduciaries of nuclear decommissioning trust or
9 reserve funds, and single individuals and heads of households shall be computed at
10 the following rates for taxable years beginning after December 31, 1997, and before
11 January 1, 1999:

12 **SECTION 1695.** 71.06 (1n) of the statutes is created to read:

13 **71.06 (1n)** FIDUCIARIES, SINGLE INDIVIDUALS AND HEADS OF HOUSEHOLDS; 1999. The
14 tax to be assessed, levied and collected upon the taxable incomes of all fiduciaries,
15 except fiduciaries of nuclear decommissioning trust or reserve funds, and single
16 individuals and heads of households shall be computed at the following rates for
17 taxable years beginning after December 31, 1998, and before January 1, 2000:

18 (a) On all taxable income from \$0 to \$7,620, 4.74%.

19 (b) On all taxable income exceeding \$7,620 but not exceeding \$15,240, 6.33%.

20 (c) On all taxable income exceeding \$15,240, 6.73%.

21 **SECTION 1696.** 71.06 (1p) of the statutes is created to read:

22 **71.06 (1p)** FIDUCIARIES, SINGLE INDIVIDUALS AND HEADS OF HOUSEHOLDS; AFTER
23 1999. The tax to be assessed, levied and collected upon the taxable incomes of all
24 fiduciaries, except fiduciaries of nuclear decommissioning trust or reserve funds, and

1 single individuals and heads of households shall be computed at the following rates
2 for taxable years beginning after December 31, 1999:

3 (a) On all taxable income from \$0 to \$7,620, 4.53%.

4 (b) On all taxable income exceeding \$7,620 but not exceeding \$15,240, 6.05%.

5 (c) On all taxable income exceeding \$15,240, 6.43%.

6 **SECTION 1697.** 71.06 (2) (c) (intro.) of the statutes is amended to read:

7 71.06 (2) (c) (intro.) For joint returns, for taxable years beginning after
8 December 31, 1997, and before January 1, 1999:

9 **SECTION 1698.** 71.06 (2) (d) (intro.) of the statutes is amended to read:

10 71.06 (2) (d) (intro.) For married persons filing separately, for taxable years
11 beginning after December 31, 1997, and before January 1, 1999:

12 **SECTION 1699.** 71.06 (2) (e) of the statutes is created to read:

13 71.06 (2) (e) For joint returns, for taxable years beginning after December 31,
14 1998, and before January 1, 2000:

15 1. On all taxable income from \$0 to \$10,160, 4.74%.

16 2. On all taxable income exceeding \$10,160 but not exceeding \$20,320, 6.33%.

17 3. On all taxable income exceeding \$20,320, 6.73%.

18 **SECTION 1700.** 71.06 (2) (f) of the statutes is created to read:

19 71.06 (2) (f) For married persons filing separately, for taxable years beginning
20 after December 31, 1998, and before January 1, 2000:

21 1. On all taxable income from \$0 to \$5,080, 4.74%.

22 2. On all taxable income exceeding \$5,080 but not exceeding \$10,160, 6.33%.

23 3. On all taxable income exceeding \$10,160, 6.73%.

24 **SECTION 1701.** 71.06 (2) (g) of the statutes is created to read:

1 71.06 (2) (g) For joint returns, for taxable years beginning after December 31,
2 1999:

- 3 1. On all taxable income from \$0 to \$10,160, 4.53%.
- 4 2. On all taxable income exceeding \$10,160 but not exceeding \$20,320, 6.05%.
- 5 3. On all taxable income exceeding \$20,320, 6.43%.

6 **SECTION 1702.** 71.06 (2) (h) of the statutes is created to read:

7 71.06 (2) (h) For married persons filing separately, for taxable years beginning
8 after December 31, 1999:

- 9 1. On all taxable income from \$0 to \$5,080, 4.53%.
- 10 2. On all taxable income exceeding \$5,080 but not exceeding \$10,160, 6.05%.
- 11 3. On all taxable income exceeding \$10,160, 6.43%.

12 **SECTION 1703.** 71.06 (2e) of the statutes is amended to read:

13 71.06 (2e) BRACKET INDEXING. For taxable years beginning after December 31,
14 1998, and before January 1, 2000, the maximum dollar amount in each tax bracket,
15 and the corresponding minimum dollar amount in the next bracket, under subs.
16 (1m), (1n) and (2) (c) ~~and~~, (d), (e) and (f), and for taxable years beginning after
17 December 31, 1999, the maximum dollar amount in each tax bracket, and the
18 corresponding minimum dollar amount in the next bracket, under subs. (1p) and (2)
19 (g) and (h), shall be increased each year by a percentage equal to the percentage
20 change between the U.S. consumer price index for all urban consumers, U.S. city
21 average, for the month of August of the previous year and the U.S. consumer price
22 index for all urban consumers, U.S. city average, for the month of August ~~of the year~~
23 ~~before the previous year 1997~~, as determined by the federal department of labor.
24 Each amount that is revised under this subsection shall be rounded to the nearest
25 multiple of \$10 if the revised amount is not a multiple of \$10 or, if the revised amount

1 is a multiple of \$5, such an amount shall be increased to the next higher multiple of
2 \$10. The department of revenue shall annually adjust the changes in dollar amounts
3 required under this subsection and incorporate the changes into the income tax
4 forms and instructions.

5 **SECTION 1704.** 71.06 (2m) of the statutes is amended to read:

6 71.06 **(2m)** RATE CHANGES. If a rate under sub. (1), (1m), (1n), (1p) or (2) changes
7 during a taxable year, the taxpayer shall compute the tax for that taxable year by the
8 methods applicable to the federal income tax under section 15 of the internal revenue
9 code.

10 **SECTION 1705.** 71.06 (2s) (b) of the statutes is amended to read:

11 71.06 **(2s)** (b) For taxable years beginning after December 31, 1997, and before
12 January 1, 1999, with respect to nonresident individuals, including individuals
13 changing their domicile into or from this state, the tax brackets under subs. (1m) and
14 (2) (c) and (d) shall be multiplied by a fraction, the numerator of which is Wisconsin
15 adjusted gross income and the denominator of which is federal adjusted gross
16 income. In this paragraph, for married persons filing separately “adjusted gross
17 income” means the separate adjusted gross income of each spouse, and for married
18 persons filing jointly “adjusted gross income” means the total adjusted gross income
19 of both spouses. If an individual and that individual’s spouse are not both domiciled
20 in this state during the entire taxable year, the tax brackets under subs. (1m) and
21 (2) (c) and (d) on a joint return shall be multiplied by a fraction, the numerator of
22 which is their joint Wisconsin adjusted gross income and the denominator of which
23 is their joint federal adjusted gross income.

24 **SECTION 1706.** 71.06 (2s) (c) of the statutes is created to read:

1 71.06 (2s) (c) For taxable years beginning after December 31, 1998, and before
2 January 1, 2000, with respect to nonresident individuals, including individuals
3 changing their domicile into or from this state, the tax brackets under subs. (1n) and
4 (2) (e) and (f) shall be multiplied by a fraction, the numerator of which is Wisconsin
5 adjusted gross income and the denominator of which is federal adjusted gross
6 income. In this paragraph, for married persons filing separately “adjusted gross
7 income” means the separate adjusted gross income of each spouse, and for married
8 persons filing jointly “adjusted gross income” means the total adjusted gross income
9 of both spouses. If an individual and that individual’s spouse are not both domiciled
10 in this state during the entire taxable year, the tax brackets under subs. (1n) and (2)
11 (e) and (f) on a joint return shall be multiplied by a fraction, the numerator of which
12 is their joint Wisconsin adjusted gross income and the denominator of which is their
13 joint federal adjusted gross income.

14 **SECTION 1707.** 71.06 (2s) (d) of the statutes is created to read:

15 71.06 (2s) (d) For taxable years beginning after December 31, 1999, with
16 respect to nonresident individuals, including individuals changing their domicile
17 into or from this state, the tax brackets under subs. (1p) and (2) (g) and (h) shall be
18 multiplied by a fraction, the numerator of which is Wisconsin adjusted gross income
19 and the denominator of which is federal adjusted gross income. In this paragraph,
20 for married persons filing separately “adjusted gross income” means the separate
21 adjusted gross income of each spouse, and for married persons filing jointly “adjusted
22 gross income” means the total adjusted gross income of both spouses. If an individual
23 and that individual’s spouse are not both domiciled in this state during the entire
24 taxable year, the tax brackets under subs. (1p) and (2) (g) and (h) on a joint return
25 shall be multiplied by a fraction, the numerator of which is their joint Wisconsin

1 adjusted gross income and the denominator of which is their joint federal adjusted
2 gross income.”.”.

3 **10.** Page 201, line 7: delete the material beginning with that line and ending
4 with page 202, line 23.

5 **11.** Page 203, line 13: delete lines 13 to 15.

6 **12.** Page 209, line 3: delete lines 3 to 19 and substitute:

7 “774m. Page 944, line 21: after that line insert:

8 “**SECTION 1763.** 71.52 (5) of the statutes is amended to read:

9 71.52 (5) “Household income” means, for claims filed before 1999, all income
10 received by all persons of a household in a calendar year while members of the
11 household, less \$250 for each of the claimant’s dependents, as defined in section 152
12 of the Internal Revenue Code, who have the same principal abode as the claimant
13 for more than 6 months during the year to which the claim relates.

14 **SECTION 1763c.** 71.52 (5e) of the statutes is created to read:

15 71.52 (5e) “Household income” means, for claims filed in 1999, all income
16 received by all persons of a household in a calendar year while members of the
17 household, less \$330 for each of the claimant’s dependents, as defined in section 152
18 of the Internal Revenue Code, who have the same principal abode as the claimant
19 for more than 6 months during the year to which the claim relates.

20 **SECTION 1763d.** 71.52 (5g) of the statutes is created to read:

21 71.52 (5g) “Household income” means, for claims filed in 2000 and thereafter,
22 all income received by all persons of a household in a calendar year while members
23 of the household, less \$340 for each of the claimant’s dependents, as defined in

1 section 152 of the Internal Revenue Code, who have the same principal abode as the
2 claimant for more than 6 months during the year to which the claim relates.

3 **SECTION 1763e.** 71.54 (1) (d) (intro.) of the statutes is amended to read:

4 71.54 (1) (d) *1991 and thereafter to 1998.* (intro.) The amount of any claim filed
5 in 1991 ~~and thereafter~~ to 1998 and based on property taxes accrued or rent
6 constituting property taxes accrued during the previous year is limited as follows:

7 **SECTION 1763g.** 71.54 (1) (e) of the statutes is created to read:

8 71.54 (1) (e) *1999.* The amount of any claim filed in 1999 and based on property
9 taxes accrued or rent constituting property taxes accrued during the previous year
10 is limited as follows:

11 1. If the household income was \$10,510 or less in the year to which the claim
12 relates, the claim is limited to 85% of the property taxes accrued or rent constituting
13 property taxes accrued or both in that year on the claimant's homestead.

14 2. If the household income was more than \$10,510 in the year to which the claim
15 relates, the claim is limited to 85% of the amount by which the property taxes accrued
16 or rent constituting property taxes accrued or both in that year on the claimant's
17 homestead exceeds 13.528% of the household income exceeding \$10,510.

18 3. No credit may be allowed if the household income of a claimant exceeds
19 \$23,890.

20 **SECTION 1763i.** 71.54 (1) (f) of the statutes is created to read:

21 71.54 (1) (f) *2000 and thereafter.* The amount of any claim filed in 2000 and
22 thereafter and based on property taxes accrued or rent constituting property taxes
23 accrued during the previous year is limited as follows:

1 1. If the household income was \$10,720 or less in the year to which the claim
2 relates, the claim is limited to 85% of the property taxes accrued or rent constituting
3 property taxes accrued or both in that year on the claimant's homestead.

4 2. If the household income was more than \$10,720 in the year to which the claim
5 relates, the claim is limited to 85% of the amount by which the property taxes accrued
6 or rent constituting property taxes accrued or both in that year on the claimant's
7 homestead exceeds 13.489% of the household income exceeding \$10,720.

8 3. No credit may be allowed if the household income of a claimant exceeds
9 \$24,360.

10 **SECTION 1763k.** 71.54 (2) (b) 3. of the statutes is amended to read:

11 71.54 (2) (b) 3. In calendar year years 1990 ~~or any subsequent calendar year~~
12 to 1997, \$1,450.

13 **SECTION 1763L.** 71.54 (2) (b) 4. of the statutes is created to read:

14 71.54 (2) (b) 4. In calendar year 1998, \$1,810.

15 **SECTION 1763n.** 71.54 (2) (b) 5. of the statutes is created to read:

16 71.54 (2) (b) 5. In calendar year 1999 and any subsequent calendar year,
17 \$1,840.”.”.

18 **13.** Page 209, line 20: before that line insert:

19 “774r. Page 944, line 22: delete lines 22 to 25.”.

20 **14.** Page 209, line 22: delete lines 22 and 23 and substitute:

21 “779m. Page 947, line 4: delete “shall” and substitute “may not”.

22 779r. Page 947, line 7: delete “on July 1, 2000” and substitute “before July 1,
23 2001”.”.

